

1 AN ACT regarding schools.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The School Code is amended by changing  
5 Sections 18-4.4 and 18-8.05 as follows:

6 (105 ILCS 5/18-4.4) (from Ch. 122, par. 18-4.4)

7 Sec. 18-4.4. Tax equivalent grants.

8 (a) When any State institution is located in a school  
9 district in which the State owns 45% or more of the total  
10 land area of the district, the State Superintendent of  
11 Education shall annually direct the State Comptroller to pay  
12 the amount of the tax-equivalent grants provided in this  
13 Section, and the State Comptroller shall draw his warrant  
14 upon the State Treasurer for the payment of the grants. For  
15 fiscal year 1995 and each fiscal year thereafter, the grant  
16 shall equal 0.5% of the equalized assessed valuation of the  
17 land owned by the State (computing that equalized assessed  
18 valuation by multiplying the average value per taxable acre  
19 of the school district by the total number of acres of land  
20 owned by the State). Annually on or before September 15,  
21 1994 and July 1, thereafter, the district superintendent  
22 shall certify to the State Board of Education the following  
23 matters:

24 (1) The name of the State institution.

25 (2) The total land area of the district in acres.

26 (3) The total ownership of the land of the State  
27 in acres.

28 (4) The total equalized assessed value of all the  
29 land in the district.

30 (5) The rate of school tax payable in the year.

31 (6) The computed amount of the tax-equivalent

1 grant claimed.

2 Failure of any district superintendent to certify the  
3 claim for the tax-equivalent grant on or before September 15,  
4 1994 or July 1 of a subsequent year shall constitute a  
5 forfeiture by the district of its right to such grant for the  
6 school year.

7 (b) Any school district that has a single taxpayer whose  
8 property taxes for a single tax year are delinquent for a  
9 period of 6 months or more and whose property taxes for that  
10 tax year represent 25% or more of the district's total  
11 property tax revenue for that tax year is entitled to a  
12 one-time tax-equivalent grant equal to the amount of the  
13 actual tax delinquency of that taxpayer, provided that an  
14 appropriation has been made for the purposes of this  
15 subsection (b).

16 Upon request by the eligible school district, the tax  
17 collector for the district shall certify all of the following  
18 information to the State Board of Education:

- 19 (1) The name of the school district.
- 20 (2) The tax year of the delinquency.
- 21 (3) The name of the delinquent taxpayer and the  
22 identification numbers for the delinquent parcels.
- 23 (4) The total amount of the delinquent taxes.
- 24 (5) The duration of the delinquency.
- 25 (6) The total amount of taxes due the school  
26 district for the tax year.

27 The State Board of Education shall pay the grant to the  
28 eligible school district in a lump-sum payment within 30 days  
29 after receipt of the certification from the tax collector  
30 showing that the district qualifies for the grant.

31 If any portion of the delinquent taxes is subsequently  
32 paid to the school district, then the tax collector and the  
33 district shall notify the State Board of Education of the  
34 payment, and the district shall reimburse the State Board of

1 Education in an amount equal to the delinquent taxes that are  
2 paid to the district.

3 (Source: P.A. 91-723, eff. 6-2-00.)

4 (105 ILCS 5/18-8.05)

5 Sec. 18-8.05. Basis for apportionment of general State  
6 financial aid and supplemental general State aid to the  
7 common schools for the 1998-1999 and subsequent school years.

8 (A) General Provisions.

9 (1) The provisions of this Section apply to the  
10 1998-1999 and subsequent school years. The system of general  
11 State financial aid provided for in this Section is designed  
12 to assure that, through a combination of State financial aid  
13 and required local resources, the financial support provided  
14 each pupil in Average Daily Attendance equals or exceeds a  
15 prescribed per pupil Foundation Level. This formula approach  
16 imputes a level of per pupil Available Local Resources and  
17 provides for the basis to calculate a per pupil level of  
18 general State financial aid that, when added to Available  
19 Local Resources, equals or exceeds the Foundation Level. The  
20 amount of per pupil general State financial aid for school  
21 districts, in general, varies in inverse relation to  
22 Available Local Resources. Per pupil amounts are based upon  
23 each school district's Average Daily Attendance as that term  
24 is defined in this Section.

25 (2) In addition to general State financial aid, school  
26 districts with specified levels or concentrations of pupils  
27 from low income households are eligible to receive  
28 supplemental general State financial aid grants as provided  
29 pursuant to subsection (H). The supplemental State aid grants  
30 provided for school districts under subsection (H) shall be  
31 appropriated for distribution to school districts as part of  
32 the same line item in which the general State financial aid  
33 of school districts is appropriated under this Section.

1           (3) To receive financial assistance under this Section,  
2 school districts are required to file claims with the State  
3 Board of Education, subject to the following requirements:

4           (a) Any school district which fails for any given  
5 school year to maintain school as required by law, or to  
6 maintain a recognized school is not eligible to file for  
7 such school year any claim upon the Common School Fund.  
8 In case of nonrecognition of one or more attendance  
9 centers in a school district otherwise operating  
10 recognized schools, the claim of the district shall be  
11 reduced in the proportion which the Average Daily  
12 Attendance in the attendance center or centers bear to  
13 the Average Daily Attendance in the school district. A  
14 "recognized school" means any public school which meets  
15 the standards as established for recognition by the State  
16 Board of Education. A school district or attendance  
17 center not having recognition status at the end of a  
18 school term is entitled to receive State aid payments due  
19 upon a legal claim which was filed while it was  
20 recognized.

21           (b) School district claims filed under this Section  
22 are subject to Sections 18-9, 18-10, and 18-12, except as  
23 otherwise provided in this Section.

24           (c) If a school district operates a full year  
25 school under Section 10-19.1, the general State aid to  
26 the school district shall be determined by the State  
27 Board of Education in accordance with this Section as  
28 near as may be applicable.

29           (d) (Blank).

30           (4) Except as provided in subsections (H) and (L), the  
31 board of any district receiving any of the grants provided  
32 for in this Section may apply those funds to any fund so  
33 received for which that board is authorized to make  
34 expenditures by law.

1 School districts are not required to exert a minimum  
2 Operating Tax Rate in order to qualify for assistance under  
3 this Section.

4 (5) As used in this Section the following terms, when  
5 capitalized, shall have the meaning ascribed herein:

6 (a) "Average Daily Attendance": A count of pupil  
7 attendance in school, averaged as provided for in  
8 subsection (C) and utilized in deriving per pupil  
9 financial support levels.

10 (b) "Available Local Resources": A computation of  
11 local financial support, calculated on the basis of  
12 Average Daily Attendance and derived as provided pursuant  
13 to subsection (D).

14 (c) "Corporate Personal Property Replacement  
15 Taxes": Funds paid to local school districts pursuant to  
16 "An Act in relation to the abolition of ad valorem  
17 personal property tax and the replacement of revenues  
18 lost thereby, and amending and repealing certain Acts and  
19 parts of Acts in connection therewith", certified August  
20 14, 1979, as amended (Public Act 81-1st S.S.-1).

21 (d) "Foundation Level": A prescribed level of per  
22 pupil financial support as provided for in subsection  
23 (B).

24 (e) "Operating Tax Rate": All school district  
25 property taxes extended for all purposes, except Bond and  
26 Interest, Summer School, Rent, Capital Improvement, and  
27 Vocational Education Building purposes.

28 (B) Foundation Level.

29 (1) The Foundation Level is a figure established by the  
30 State representing the minimum level of per pupil financial  
31 support that should be available to provide for the basic  
32 education of each pupil in Average Daily Attendance. As set  
33 forth in this Section, each school district is assumed to  
34 exert a sufficient local taxing effort such that, in

1 combination with the aggregate of general State financial aid  
2 provided the district, an aggregate of State and local  
3 resources are available to meet the basic education needs of  
4 pupils in the district.

5 (2) For the 1998-1999 school year, the Foundation Level  
6 of support is \$4,225. For the 1999-2000 school year, the  
7 Foundation Level of support is \$4,325. For the 2000-2001  
8 school year, the Foundation Level of support is \$4,425.

9 (3) For the 2001-2002 school year and each school year  
10 thereafter, the Foundation Level of support is \$4,560 or such  
11 greater amount as may be established by law by the General  
12 Assembly.

13 (C) Average Daily Attendance.

14 (1) For purposes of calculating general State aid  
15 pursuant to subsection (E), an Average Daily Attendance  
16 figure shall be utilized. The Average Daily Attendance  
17 figure for formula calculation purposes shall be the monthly  
18 average of the actual number of pupils in attendance of each  
19 school district, as further averaged for the best 3 months of  
20 pupil attendance for each school district. In compiling the  
21 figures for the number of pupils in attendance, school  
22 districts and the State Board of Education shall, for  
23 purposes of general State aid funding, conform attendance  
24 figures to the requirements of subsection (F).

25 (2) The Average Daily Attendance figures utilized in  
26 subsection (E) shall be the requisite attendance data for the  
27 school year immediately preceding the school year for which  
28 general State aid is being calculated or the average of the  
29 attendance data for the 3 preceding school years, whichever  
30 is greater. The Average Daily Attendance figures utilized in  
31 subsection (H) shall be the requisite attendance data for the  
32 school year immediately preceding the school year for which  
33 general State aid is being calculated.

1 (D) Available Local Resources.

2 (1) For purposes of calculating general State aid  
3 pursuant to subsection (E), a representation of Available  
4 Local Resources per pupil, as that term is defined and  
5 determined in this subsection, shall be utilized. Available  
6 Local Resources per pupil shall include a calculated dollar  
7 amount representing local school district revenues from local  
8 property taxes and from Corporate Personal Property  
9 Replacement Taxes, expressed on the basis of pupils in  
10 Average Daily Attendance.

11 (2) In determining a school district's revenue from  
12 local property taxes, the State Board of Education shall  
13 utilize the equalized assessed valuation of all taxable  
14 property of each school district as of September 30 of the  
15 previous year. The equalized assessed valuation utilized  
16 shall be obtained and determined as provided in subsection  
17 (G).

18 (3) For school districts maintaining grades kindergarten  
19 through 12, local property tax revenues per pupil shall be  
20 calculated as the product of the applicable equalized  
21 assessed valuation for the district multiplied by 3.00%, and  
22 divided by the district's Average Daily Attendance figure.  
23 For school districts maintaining grades kindergarten through  
24 8, local property tax revenues per pupil shall be calculated  
25 as the product of the applicable equalized assessed valuation  
26 for the district multiplied by 2.30%, and divided by the  
27 district's Average Daily Attendance figure. For school  
28 districts maintaining grades 9 through 12, local property tax  
29 revenues per pupil shall be the applicable equalized assessed  
30 valuation of the district multiplied by 1.05%, and divided by  
31 the district's Average Daily Attendance figure.

32 (4) The Corporate Personal Property Replacement Taxes  
33 paid to each school district during the calendar year 2 years  
34 before the calendar year in which a school year begins,

1 divided by the Average Daily Attendance figure for that  
2 district, shall be added to the local property tax revenues  
3 per pupil as derived by the application of the immediately  
4 preceding paragraph (3). The sum of these per pupil figures  
5 for each school district shall constitute Available Local  
6 Resources as that term is utilized in subsection (E) in the  
7 calculation of general State aid.

8 (E) Computation of General State Aid.

9 (1) For each school year, the amount of general State  
10 aid allotted to a school district shall be computed by the  
11 State Board of Education as provided in this subsection.

12 (2) For any school district for which Available Local  
13 Resources per pupil is less than the product of 0.93 times  
14 the Foundation Level, general State aid for that district  
15 shall be calculated as an amount equal to the Foundation  
16 Level minus Available Local Resources, multiplied by the  
17 Average Daily Attendance of the school district.

18 (3) For any school district for which Available Local  
19 Resources per pupil is equal to or greater than the product  
20 of 0.93 times the Foundation Level and less than the product  
21 of 1.75 times the Foundation Level, the general State aid per  
22 pupil shall be a decimal proportion of the Foundation Level  
23 derived using a linear algorithm. Under this linear  
24 algorithm, the calculated general State aid per pupil shall  
25 decline in direct linear fashion from 0.07 times the  
26 Foundation Level for a school district with Available Local  
27 Resources equal to the product of 0.93 times the Foundation  
28 Level, to 0.05 times the Foundation Level for a school  
29 district with Available Local Resources equal to the product  
30 of 1.75 times the Foundation Level. The allocation of  
31 general State aid for school districts subject to this  
32 paragraph 3 shall be the calculated general State aid per  
33 pupil figure multiplied by the Average Daily Attendance of  
34 the school district.

1           (4) For any school district for which Available Local  
2 Resources per pupil equals or exceeds the product of 1.75  
3 times the Foundation Level, the general State aid for the  
4 school district shall be calculated as the product of \$218  
5 multiplied by the Average Daily Attendance of the school  
6 district.

7           (5) The amount of general State aid allocated to a  
8 school district for the 1999-2000 school year meeting the  
9 requirements set forth in paragraph (4) of subsection (G)  
10 shall be increased by an amount equal to the general State  
11 aid that would have been received by the district for the  
12 1998-1999 school year by utilizing the Extension Limitation  
13 Equalized Assessed Valuation as calculated in paragraph (4)  
14 of subsection (G) less the general State aid allotted for the  
15 1998-1999 school year. This amount shall be deemed a one  
16 time increase, and shall not affect any future general State  
17 aid allocations.

18       (F) Compilation of Average Daily Attendance.

19           (1) Each school district shall, by July 1 of each year,  
20 submit to the State Board of Education, on forms prescribed  
21 by the State Board of Education, attendance figures for the  
22 school year that began in the preceding calendar year. The  
23 attendance information so transmitted shall identify the  
24 average daily attendance figures for each month of the school  
25 year, except that any days of attendance in August shall be  
26 added to the month of September and any days of attendance in  
27 June shall be added to the month of May.

28           Except as otherwise provided in this Section, days of  
29 attendance by pupils shall be counted only for sessions of  
30 not less than 5 clock hours of school work per day under  
31 direct supervision of: (i) teachers, or (ii) non-teaching  
32 personnel or volunteer personnel when engaging in  
33 non-teaching duties and supervising in those instances  
34 specified in subsection (a) of Section 10-22.34 and paragraph

1 10 of Section 34-18, with pupils of legal school age and in  
2 kindergarten and grades 1 through 12.

3 Days of attendance by tuition pupils shall be accredited  
4 only to the districts that pay the tuition to a recognized  
5 school.

6 (2) Days of attendance by pupils of less than 5 clock  
7 hours of school shall be subject to the following provisions  
8 in the compilation of Average Daily Attendance.

9 (a) Pupils regularly enrolled in a public school  
10 for only a part of the school day may be counted on the  
11 basis of 1/6 day for every class hour of instruction of  
12 40 minutes or more attended pursuant to such enrollment,  
13 unless a pupil is enrolled in a block-schedule format of  
14 80 minutes or more of instruction, in which case the  
15 pupil may be counted on the basis of the proportion of  
16 minutes of school work completed each day to the minimum  
17 number of minutes that school work is required to be held  
18 that day.

19 (b) Days of attendance may be less than 5 clock  
20 hours on the opening and closing of the school term, and  
21 upon the first day of pupil attendance, if preceded by a  
22 day or days utilized as an institute or teachers'  
23 workshop.

24 (c) A session of 4 or more clock hours may be  
25 counted as a day of attendance upon certification by the  
26 regional superintendent, and approved by the State  
27 Superintendent of Education to the extent that the  
28 district has been forced to use daily multiple sessions.

29 (d) A session of 3 or more clock hours may be  
30 counted as a day of attendance (1) when the remainder of  
31 the school day or at least 2 hours in the evening of that  
32 day is utilized for an in-service training program for  
33 teachers, up to a maximum of 5 days per school year of  
34 which a maximum of 4 days of such 5 days may be used for

1 parent-teacher conferences, provided a district conducts  
2 an in-service training program for teachers which has  
3 been approved by the State Superintendent of Education;  
4 or, in lieu of 4 such days, 2 full days may be used, in  
5 which event each such day may be counted as a day of  
6 attendance; and (2) when days in addition to those  
7 provided in item (1) are scheduled by a school pursuant  
8 to its school improvement plan adopted under Article 34  
9 or its revised or amended school improvement plan adopted  
10 under Article 2, provided that (i) such sessions of 3 or  
11 more clock hours are scheduled to occur at regular  
12 intervals, (ii) the remainder of the school days in which  
13 such sessions occur are utilized for in-service training  
14 programs or other staff development activities for  
15 teachers, and (iii) a sufficient number of minutes of  
16 school work under the direct supervision of teachers are  
17 added to the school days between such regularly scheduled  
18 sessions to accumulate not less than the number of  
19 minutes by which such sessions of 3 or more clock hours  
20 fall short of 5 clock hours. Any full days used for the  
21 purposes of this paragraph shall not be considered for  
22 computing average daily attendance. Days scheduled for  
23 in-service training programs, staff development  
24 activities, or parent-teacher conferences may be  
25 scheduled separately for different grade levels and  
26 different attendance centers of the district.

27 (e) A session of not less than one clock hour of  
28 teaching hospitalized or homebound pupils on-site or by  
29 telephone to the classroom may be counted as 1/2 day of  
30 attendance, however these pupils must receive 4 or more  
31 clock hours of instruction to be counted for a full day  
32 of attendance.

33 (f) A session of at least 4 clock hours may be  
34 counted as a day of attendance for first grade pupils,

1 and pupils in full day kindergartens, and a session of 2  
2 or more hours may be counted as 1/2 day of attendance by  
3 pupils in kindergartens which provide only 1/2 day of  
4 attendance.

5 (g) For children with disabilities who are below  
6 the age of 6 years and who cannot attend 2 or more clock  
7 hours because of their disability or immaturity, a  
8 session of not less than one clock hour may be counted as  
9 1/2 day of attendance; however for such children whose  
10 educational needs so require a session of 4 or more clock  
11 hours may be counted as a full day of attendance.

12 (h) A recognized kindergarten which provides for  
13 only 1/2 day of attendance by each pupil shall not have  
14 more than 1/2 day of attendance counted in any one day.  
15 However, kindergartens may count 2 1/2 days of attendance  
16 in any 5 consecutive school days. When a pupil attends  
17 such a kindergarten for 2 half days on any one school  
18 day, the pupil shall have the following day as a day  
19 absent from school, unless the school district obtains  
20 permission in writing from the State Superintendent of  
21 Education. Attendance at kindergartens which provide for  
22 a full day of attendance by each pupil shall be counted  
23 the same as attendance by first grade pupils. Only the  
24 first year of attendance in one kindergarten shall be  
25 counted, except in case of children who entered the  
26 kindergarten in their fifth year whose educational  
27 development requires a second year of kindergarten as  
28 determined under the rules and regulations of the State  
29 Board of Education.

30 (G) Equalized Assessed Valuation Data.

31 (1) For purposes of the calculation of Available Local  
32 Resources required pursuant to subsection (D), the State  
33 Board of Education shall secure from the Department of  
34 Revenue the value as equalized or assessed by the Department

1 of Revenue of all taxable property of every school district,  
2 together with (i) the applicable tax rate used in extending  
3 taxes for the funds of the district as of September 30 of the  
4 previous year and (ii) the limiting rate for all school  
5 districts subject to property tax extension limitations as  
6 imposed under the Property Tax Extension Limitation Law.

7 This equalized assessed valuation, as adjusted further by  
8 the requirements of this subsection, shall be utilized in the  
9 calculation of Available Local Resources.

10 (2) The equalized assessed valuation in paragraph (1)  
11 shall be adjusted, as applicable, in the following manner:

12 (a) For the purposes of calculating State aid under  
13 this Section, with respect to any part of a school  
14 district within a redevelopment project area in respect  
15 to which a municipality has adopted tax increment  
16 allocation financing pursuant to the Tax Increment  
17 Allocation Redevelopment Act, Sections 11-74.4-1 through  
18 11-74.4-11 of the Illinois Municipal Code or the  
19 Industrial Jobs Recovery Law, Sections 11-74.6-1 through  
20 11-74.6-50 of the Illinois Municipal Code, no part of the  
21 current equalized assessed valuation of real property  
22 located in any such project area which is attributable to  
23 an increase above the total initial equalized assessed  
24 valuation of such property shall be used as part of the  
25 equalized assessed valuation of the district, until such  
26 time as all redevelopment project costs have been paid,  
27 as provided in Section 11-74.4-8 of the Tax Increment  
28 Allocation Redevelopment Act or in Section 11-74.6-35 of  
29 the Industrial Jobs Recovery Law. For the purpose of the  
30 equalized assessed valuation of the district, the total  
31 initial equalized assessed valuation or the current  
32 equalized assessed valuation, whichever is lower, shall  
33 be used until such time as all redevelopment project  
34 costs have been paid.

1           (b) The real property equalized assessed valuation  
2 for a school district shall be adjusted by subtracting  
3 from the real property value as equalized or assessed by  
4 the Department of Revenue for the district an amount  
5 computed by dividing the amount of any abatement of taxes  
6 under Section 18-170 of the Property Tax Code by 3.00%  
7 for a district maintaining grades kindergarten through  
8 12, by 2.30% for a district maintaining grades  
9 kindergarten through 8, or by 1.05% for a district  
10 maintaining grades 9 through 12 and adjusted by an amount  
11 computed by dividing the amount of any abatement of taxes  
12 under subsection (a) of Section 18-165 of the Property  
13 Tax Code by the same percentage rates for district type  
14 as specified in this subparagraph (b).

15           (3) For the 1999-2000 school year and each school year  
16 thereafter, if a school district meets all of the criteria of  
17 this subsection (G)(3), the school district's Available Local  
18 Resources shall be calculated under subsection (D) using the  
19 district's Extension Limitation Equalized Assessed Valuation  
20 as calculated under this subsection (G)(3).

21           For purposes of this subsection (G)(3) the following  
22 terms shall have the following meanings:

23           "Budget Year": The school year for which general  
24 State aid is calculated and awarded under subsection (E).

25           "Base Tax Year": The property tax levy year used to  
26 calculate the Budget Year allocation of general State  
27 aid.

28           "Preceding Tax Year": The property tax levy year  
29 immediately preceding the Base Tax Year.

30           "Base Tax Year's Tax Extension": The product of the  
31 equalized assessed valuation utilized by the County Clerk  
32 in the Base Tax Year multiplied by the limiting rate as  
33 calculated by the County Clerk and defined in the  
34 Property Tax Extension Limitation Law.

1 "Preceding Tax Year's Tax Extension": The product of  
2 the equalized assessed valuation utilized by the County  
3 Clerk in the Preceding Tax Year multiplied by the  
4 Operating Tax Rate as defined in subsection (A).

5 "Extension Limitation Ratio": A numerical ratio,  
6 certified by the County Clerk, in which the numerator is  
7 the Base Tax Year's Tax Extension and the denominator is  
8 the Preceding Tax Year's Tax Extension.

9 "Operating Tax Rate": The operating tax rate as  
10 defined in subsection (A).

11 If a school district is subject to property tax extension  
12 limitations as imposed under the Property Tax Extension  
13 Limitation Law, the State Board of Education shall calculate  
14 the Extension Limitation Equalized Assessed Valuation of that  
15 district. For the 1999-2000 school year, the Extension  
16 Limitation Equalized Assessed Valuation of a school district  
17 as calculated by the State Board of Education shall be equal  
18 to the product of the district's 1996 Equalized Assessed  
19 Valuation and the district's Extension Limitation Ratio. For  
20 the 2000-2001 school year and each school year thereafter,  
21 the Extension Limitation Equalized Assessed Valuation of a  
22 school district as calculated by the State Board of Education  
23 shall be equal to the product of the Equalized Assessed  
24 Valuation last used in the calculation of general State aid  
25 and the district's Extension Limitation Ratio. If the  
26 Extension Limitation Equalized Assessed Valuation of a school  
27 district as calculated under this subsection (G)(3) is less  
28 than the district's equalized assessed valuation as  
29 calculated pursuant to subsections (G)(1) and (G)(2), then  
30 for purposes of calculating the district's general State aid  
31 for the Budget Year pursuant to subsection (E), that  
32 Extension Limitation Equalized Assessed Valuation shall be  
33 utilized to calculate the district's Available Local  
34 Resources under subsection (D).

1           (4) For the purposes of calculating general State aid  
2 for the 1999-2000 school year only, if a school district  
3 experienced a triennial reassessment on the equalized  
4 assessed valuation used in calculating its general State  
5 financial aid apportionment for the 1998-1999 school year,  
6 the State Board of Education shall calculate the Extension  
7 Limitation Equalized Assessed Valuation that would have been  
8 used to calculate the district's 1998-1999 general State aid.  
9 This amount shall equal the product of the equalized assessed  
10 valuation used to calculate general State aid for the  
11 1997-1998 school year and the district's Extension Limitation  
12 Ratio. If the Extension Limitation Equalized Assessed  
13 Valuation of the school district as calculated under this  
14 paragraph (4) is less than the district's equalized assessed  
15 valuation utilized in calculating the district's 1998-1999  
16 general State aid allocation, then for purposes of  
17 calculating the district's general State aid pursuant to  
18 paragraph (5) of subsection (E), that Extension Limitation  
19 Equalized Assessed Valuation shall be utilized to calculate  
20 the district's Available Local Resources.

21           (5) For school districts having a majority of their  
22 equalized assessed valuation in any county except Cook,  
23 DuPage, Kane, Lake, McHenry, or Will, if the amount of  
24 general State aid allocated to the school district for the  
25 1999-2000 school year under the provisions of subsection (E),  
26 (H), and (J) of this Section is less than the amount of  
27 general State aid allocated to the district for the 1998-1999  
28 school year under these subsections, then the general State  
29 aid of the district for the 1999-2000 school year only shall  
30 be increased by the difference between these amounts. The  
31 total payments made under this paragraph (5) shall not exceed  
32 \$14,000,000. Claims shall be prorated if they exceed  
33 \$14,000,000.

34           (6) If a school district's original equalized assessed

1 valuation is at least 20% less for the year subsequent to the  
2 year scheduled to be used under this Section in calculating  
3 the district's general State aid and the decrease is the  
4 result of the reduction in the equalized assessed valuation  
5 of any one taxpayer whose equalized assessed valuation  
6 represented at least 25% of the total equalized assessed  
7 valuation within the district during the previous year, then  
8 the district's general State aid shall be calculated using  
9 the equalized assessed valuation of the district for the  
10 subsequent year. This paragraph (6) does not apply in any  
11 year in which the district receives a grant under subsection  
12 (b) of Section 18-8.4 of this Code.

13 (H) Supplemental General State Aid.

14 (1) In addition to the general State aid a school  
15 district is allotted pursuant to subsection (E), qualifying  
16 school districts shall receive a grant, paid in conjunction  
17 with a district's payments of general State aid, for  
18 supplemental general State aid based upon the concentration  
19 level of children from low-income households within the  
20 school district. Supplemental State aid grants provided for  
21 school districts under this subsection shall be appropriated  
22 for distribution to school districts as part of the same line  
23 item in which the general State financial aid of school  
24 districts is appropriated under this Section. For purposes of  
25 this subsection, the term "Low-Income Concentration Level"  
26 shall be the low-income eligible pupil count from the most  
27 recently available federal census divided by the Average  
28 Daily Attendance of the school district. If, however, (i) the  
29 percentage decrease from the 2 most recent federal censuses  
30 in the low-income eligible pupil count of a high school  
31 district with fewer than 400 students exceeds by 75% or more  
32 the percentage change in the total low-income eligible pupil  
33 count of contiguous elementary school districts, whose  
34 boundaries are coterminous with the high school district, or

1 (ii) a high school district within 2 counties and serving 5  
2 elementary school districts, whose boundaries are coterminous  
3 with the high school district, has a percentage decrease from  
4 the 2 most recent federal censuses in the low-income eligible  
5 pupil count and there is a percentage increase in the total  
6 low-income eligible pupil count of a majority of the  
7 elementary school districts in excess of 50% from the 2 most  
8 recent federal censuses, then the high school district's  
9 low-income eligible pupil count from the earlier federal  
10 census shall be the number used as the low-income eligible  
11 pupil count for the high school district, for purposes of  
12 this subsection (H). The changes made to this paragraph (1)  
13 by Public Act 92-28 ~~this-amendatory-Act-of-the-92nd-General~~  
14 ~~Assembly~~ shall apply to supplemental general State aid grants  
15 paid in fiscal year 1999 and in each fiscal year thereafter  
16 and to any State aid payments made in fiscal year 1994  
17 through fiscal year 1998 pursuant to subsection 1(n) of  
18 Section 18-8 of this Code (which was repealed on July 1,  
19 1998), and any high school district that is affected by  
20 Public Act 92-28 ~~this--amendatory--Act-of-the-92nd-General~~  
21 ~~Assembly~~ is entitled to a recomputation of its supplemental  
22 general State aid grant or State aid paid in any of those  
23 fiscal years. This recomputation shall not be affected by  
24 any other funding.

25 (2) Supplemental general State aid pursuant to this  
26 subsection (H) shall be provided as follows for the  
27 1998-1999, 1999-2000, and 2000-2001 school years only:

28 (a) For any school district with a Low Income  
29 Concentration Level of at least 20% and less than 35%,  
30 the grant for any school year shall be \$800 multiplied by  
31 the low income eligible pupil count.

32 (b) For any school district with a Low Income  
33 Concentration Level of at least 35% and less than 50%,  
34 the grant for the 1998-1999 school year shall be \$1,100

1 multiplied by the low income eligible pupil count.

2 (c) For any school district with a Low Income  
3 Concentration Level of at least 50% and less than 60%,  
4 the grant for the 1998-99 school year shall be \$1,500  
5 multiplied by the low income eligible pupil count.

6 (d) For any school district with a Low Income  
7 Concentration Level of 60% or more, the grant for the  
8 1998-99 school year shall be \$1,900 multiplied by the low  
9 income eligible pupil count.

10 (e) For the 1999-2000 school year, the per pupil  
11 amount specified in subparagraphs (b), (c), and (d)  
12 immediately above shall be increased to \$1,243, \$1,600,  
13 and \$2,000, respectively.

14 (f) For the 2000-2001 school year, the per pupil  
15 amounts specified in subparagraphs (b), (c), and (d)  
16 immediately above shall be \$1,273, \$1,640, and \$2,050,  
17 respectively.

18 (2.5) Supplemental general State aid pursuant to this  
19 subsection (H) shall be provided as follows for the 2001-2002  
20 school year and each school year thereafter:

21 (a) For any school district with a Low Income  
22 Concentration Level of less than 10%, the grant for each  
23 school year shall be \$355 multiplied by the low income  
24 eligible pupil count.

25 (b) For any school district with a Low Income  
26 Concentration Level of at least 10% and less than 20%,  
27 the grant for each school year shall be \$675 multiplied  
28 by the low income eligible pupil count.

29 (c) For any school district with a Low Income  
30 Concentration Level of at least 20% and less than 35%,  
31 the grant for each school year shall be \$1,190 multiplied  
32 by the low income eligible pupil count.

33 (d) For any school district with a Low Income  
34 Concentration Level of at least 35% and less than 50%,

1 the grant for each school year shall be \$1,333 multiplied  
2 by the low income eligible pupil count.

3 (e) For any school district with a Low Income  
4 Concentration Level of at least 50% and less than 60%,  
5 the grant for each school year shall be \$1,680 multiplied  
6 by the low income eligible pupil count.

7 (f) For any school district with a Low Income  
8 Concentration Level of 60% or more, the grant for each  
9 school year shall be \$2,080 multiplied by the low income  
10 eligible pupil count.

11 (3) School districts with an Average Daily Attendance of  
12 more than 1,000 and less than 50,000 that qualify for  
13 supplemental general State aid pursuant to this subsection  
14 shall submit a plan to the State Board of Education prior to  
15 October 30 of each year for the use of the funds resulting  
16 from this grant of supplemental general State aid for the  
17 improvement of instruction in which priority is given to  
18 meeting the education needs of disadvantaged children. Such  
19 plan shall be submitted in accordance with rules and  
20 regulations promulgated by the State Board of Education.

21 (4) School districts with an Average Daily Attendance of  
22 50,000 or more that qualify for supplemental general State  
23 aid pursuant to this subsection shall be required to  
24 distribute from funds available pursuant to this Section, no  
25 less than \$261,000,000 in accordance with the following  
26 requirements:

27 (a) The required amounts shall be distributed to  
28 the attendance centers within the district in proportion  
29 to the number of pupils enrolled at each attendance  
30 center who are eligible to receive free or reduced-price  
31 lunches or breakfasts under the federal Child Nutrition  
32 Act of 1966 and under the National School Lunch Act  
33 during the immediately preceding school year.

34 (b) The distribution of these portions of

1 supplemental and general State aid among attendance  
2 centers according to these requirements shall not be  
3 compensated for or contravened by adjustments of the  
4 total of other funds appropriated to any attendance  
5 centers, and the Board of Education shall utilize funding  
6 from one or several sources in order to fully implement  
7 this provision annually prior to the opening of school.

8 (c) Each attendance center shall be provided by the  
9 school district a distribution of noncategorical funds  
10 and other categorical funds to which an attendance center  
11 is entitled under law in order that the general State aid  
12 and supplemental general State aid provided by  
13 application of this subsection supplements rather than  
14 supplants the noncategorical funds and other categorical  
15 funds provided by the school district to the attendance  
16 centers.

17 (d) Any funds made available under this subsection  
18 that by reason of the provisions of this subsection are  
19 not required to be allocated and provided to attendance  
20 centers may be used and appropriated by the board of the  
21 district for any lawful school purpose.

22 (e) Funds received by an attendance center pursuant  
23 to this subsection shall be used by the attendance center  
24 at the discretion of the principal and local school  
25 council for programs to improve educational opportunities  
26 at qualifying schools through the following programs and  
27 services: early childhood education, reduced class size  
28 or improved adult to student classroom ratio, enrichment  
29 programs, remedial assistance, attendance improvement,  
30 and other educationally beneficial expenditures which  
31 supplement the regular and basic programs as determined  
32 by the State Board of Education. Funds provided shall not  
33 be expended for any political or lobbying purposes as  
34 defined by board rule.

1           (f) Each district subject to the provisions of this  
2 subdivision (H)(4) shall submit an acceptable plan to  
3 meet the educational needs of disadvantaged children, in  
4 compliance with the requirements of this paragraph, to  
5 the State Board of Education prior to July 15 of each  
6 year. This plan shall be consistent with the decisions of  
7 local school councils concerning the school expenditure  
8 plans developed in accordance with part 4 of Section  
9 34-2.3. The State Board shall approve or reject the plan  
10 within 60 days after its submission. If the plan is  
11 rejected, the district shall give written notice of  
12 intent to modify the plan within 15 days of the  
13 notification of rejection and then submit a modified plan  
14 within 30 days after the date of the written notice of  
15 intent to modify. Districts may amend approved plans  
16 pursuant to rules promulgated by the State Board of  
17 Education.

18           Upon notification by the State Board of Education  
19 that the district has not submitted a plan prior to July  
20 15 or a modified plan within the time period specified  
21 herein, the State aid funds affected by that plan or  
22 modified plan shall be withheld by the State Board of  
23 Education until a plan or modified plan is submitted.

24           If the district fails to distribute State aid to  
25 attendance centers in accordance with an approved plan,  
26 the plan for the following year shall allocate funds, in  
27 addition to the funds otherwise required by this  
28 subsection, to those attendance centers which were  
29 underfunded during the previous year in amounts equal to  
30 such underfunding.

31           For purposes of determining compliance with this  
32 subsection in relation to the requirements of attendance  
33 center funding, each district subject to the provisions  
34 of this subsection shall submit as a separate document by

1 December 1 of each year a report of expenditure data for  
2 the prior year in addition to any modification of its  
3 current plan. If it is determined that there has been a  
4 failure to comply with the expenditure provisions of this  
5 subsection regarding contravention or supplanting, the  
6 State Superintendent of Education shall, within 60 days  
7 of receipt of the report, notify the district and any  
8 affected local school council. The district shall within  
9 45 days of receipt of that notification inform the State  
10 Superintendent of Education of the remedial or corrective  
11 action to be taken, whether by amendment of the current  
12 plan, if feasible, or by adjustment in the plan for the  
13 following year. Failure to provide the expenditure  
14 report or the notification of remedial or corrective  
15 action in a timely manner shall result in a withholding  
16 of the affected funds.

17 The State Board of Education shall promulgate rules  
18 and regulations to implement the provisions of this  
19 subsection. No funds shall be released under this  
20 subdivision (H)(4) to any district that has not submitted  
21 a plan that has been approved by the State Board of  
22 Education.

23 (I) General State Aid for Newly Configured School Districts.

24 (1) For a new school district formed by combining  
25 property included totally within 2 or more previously  
26 existing school districts, for its first year of existence  
27 the general State aid and supplemental general State aid  
28 calculated under this Section shall be computed for the new  
29 district and for the previously existing districts for which  
30 property is totally included within the new district. If the  
31 computation on the basis of the previously existing districts  
32 is greater, a supplementary payment equal to the difference  
33 shall be made for the first 4 years of existence of the new  
34 district.

1           (2) For a school district which annexes all of the  
2 territory of one or more entire other school districts, for  
3 the first year during which the change of boundaries  
4 attributable to such annexation becomes effective for all  
5 purposes as determined under Section 7-9 or 7A-8, the general  
6 State aid and supplemental general State aid calculated under  
7 this Section shall be computed for the annexing district as  
8 constituted after the annexation and for the annexing and  
9 each annexed district as constituted prior to the annexation;  
10 and if the computation on the basis of the annexing and  
11 annexed districts as constituted prior to the annexation is  
12 greater, a supplementary payment equal to the difference  
13 shall be made for the first 4 years of existence of the  
14 annexing school district as constituted upon such annexation.

15           (3) For 2 or more school districts which annex all of  
16 the territory of one or more entire other school districts,  
17 and for 2 or more community unit districts which result upon  
18 the division (pursuant to petition under Section 11A-2) of  
19 one or more other unit school districts into 2 or more parts  
20 and which together include all of the parts into which such  
21 other unit school district or districts are so divided, for  
22 the first year during which the change of boundaries  
23 attributable to such annexation or division becomes effective  
24 for all purposes as determined under Section 7-9 or 11A-10,  
25 as the case may be, the general State aid and supplemental  
26 general State aid calculated under this Section shall be  
27 computed for each annexing or resulting district as  
28 constituted after the annexation or division and for each  
29 annexing and annexed district, or for each resulting and  
30 divided district, as constituted prior to the annexation or  
31 division; and if the aggregate of the general State aid and  
32 supplemental general State aid as so computed for the  
33 annexing or resulting districts as constituted after the  
34 annexation or division is less than the aggregate of the

1 general State aid and supplemental general State aid as so  
2 computed for the annexing and annexed districts, or for the  
3 resulting and divided districts, as constituted prior to the  
4 annexation or division, then a supplementary payment equal to  
5 the difference shall be made and allocated between or among  
6 the annexing or resulting districts, as constituted upon such  
7 annexation or division, for the first 4 years of their  
8 existence. The total difference payment shall be allocated  
9 between or among the annexing or resulting districts in the  
10 same ratio as the pupil enrollment from that portion of the  
11 annexed or divided district or districts which is annexed to  
12 or included in each such annexing or resulting district bears  
13 to the total pupil enrollment from the entire annexed or  
14 divided district or districts, as such pupil enrollment is  
15 determined for the school year last ending prior to the date  
16 when the change of boundaries attributable to the annexation  
17 or division becomes effective for all purposes. The amount  
18 of the total difference payment and the amount thereof to be  
19 allocated to the annexing or resulting districts shall be  
20 computed by the State Board of Education on the basis of  
21 pupil enrollment and other data which shall be certified to  
22 the State Board of Education, on forms which it shall provide  
23 for that purpose, by the regional superintendent of schools  
24 for each educational service region in which the annexing and  
25 annexed districts, or resulting and divided districts are  
26 located.

27 (3.5) Claims for financial assistance under this  
28 subsection (I) shall not be recomputed except as expressly  
29 provided under this Section.

30 (4) Any supplementary payment made under this subsection  
31 (I) shall be treated as separate from all other payments made  
32 pursuant to this Section.

33 (J) Supplementary Grants in Aid.

34 (1) Notwithstanding any other provisions of this

1 Section, the amount of the aggregate general State aid in  
2 combination with supplemental general State aid under this  
3 Section for which each school district is eligible shall be  
4 no less than the amount of the aggregate general State aid  
5 entitlement that was received by the district under Section  
6 18-8 (exclusive of amounts received under subsections 5(p)  
7 and 5(p-5) of that Section) for the 1997-98 school year,  
8 pursuant to the provisions of that Section as it was then in  
9 effect. If a school district qualifies to receive a  
10 supplementary payment made under this subsection (J), the  
11 amount of the aggregate general State aid in combination with  
12 supplemental general State aid under this Section which that  
13 district is eligible to receive for each school year shall be  
14 no less than the amount of the aggregate general State aid  
15 entitlement that was received by the district under Section  
16 18-8 (exclusive of amounts received under subsections 5(p)  
17 and 5(p-5) of that Section) for the 1997-1998 school year,  
18 pursuant to the provisions of that Section as it was then in  
19 effect.

20 (2) If, as provided in paragraph (1) of this subsection  
21 (J), a school district is to receive aggregate general State  
22 aid in combination with supplemental general State aid under  
23 this Section for the 1998-99 school year and any subsequent  
24 school year that in any such school year is less than the  
25 amount of the aggregate general State aid entitlement that  
26 the district received for the 1997-98 school year, the school  
27 district shall also receive, from a separate appropriation  
28 made for purposes of this subsection (J), a supplementary  
29 payment that is equal to the amount of the difference in the  
30 aggregate State aid figures as described in paragraph (1).

31 (3) (Blank).

32 (K) Grants to Laboratory and Alternative Schools.

33 In calculating the amount to be paid to the governing  
34 board of a public university that operates a laboratory

1 school under this Section or to any alternative school that  
2 is operated by a regional superintendent of schools, the  
3 State Board of Education shall require by rule such reporting  
4 requirements as it deems necessary.

5 As used in this Section, "laboratory school" means a  
6 public school which is created and operated by a public  
7 university and approved by the State Board of Education. The  
8 governing board of a public university which receives funds  
9 from the State Board under this subsection (K) may not  
10 increase the number of students enrolled in its laboratory  
11 school from a single district, if that district is already  
12 sending 50 or more students, except under a mutual agreement  
13 between the school board of a student's district of residence  
14 and the university which operates the laboratory school. A  
15 laboratory school may not have more than 1,000 students,  
16 excluding students with disabilities in a special education  
17 program.

18 As used in this Section, "alternative school" means a  
19 public school which is created and operated by a Regional  
20 Superintendent of Schools and approved by the State Board of  
21 Education. Such alternative schools may offer courses of  
22 instruction for which credit is given in regular school  
23 programs, courses to prepare students for the high school  
24 equivalency testing program or vocational and occupational  
25 training. A regional superintendent of schools may contract  
26 with a school district or a public community college district  
27 to operate an alternative school. An alternative school  
28 serving more than one educational service region may be  
29 established by the regional superintendents of schools of the  
30 affected educational service regions. An alternative school  
31 serving more than one educational service region may be  
32 operated under such terms as the regional superintendents of  
33 schools of those educational service regions may agree.

34 Each laboratory and alternative school shall file, on

1 forms provided by the State Superintendent of Education, an  
2 annual State aid claim which states the Average Daily  
3 Attendance of the school's students by month. The best 3  
4 months' Average Daily Attendance shall be computed for each  
5 school. The general State aid entitlement shall be computed  
6 by multiplying the applicable Average Daily Attendance by the  
7 Foundation Level as determined under this Section.

8 (L) Payments, Additional Grants in Aid and Other  
9 Requirements.

10 (1) For a school district operating under the financial  
11 supervision of an Authority created under Article 34A, the  
12 general State aid otherwise payable to that district under  
13 this Section, but not the supplemental general State aid,  
14 shall be reduced by an amount equal to the budget for the  
15 operations of the Authority as certified by the Authority to  
16 the State Board of Education, and an amount equal to such  
17 reduction shall be paid to the Authority created for such  
18 district for its operating expenses in the manner provided in  
19 Section 18-11. The remainder of general State school aid for  
20 any such district shall be paid in accordance with Article  
21 34A when that Article provides for a disposition other than  
22 that provided by this Article.

23 (2) (Blank).

24 (3) Summer school. Summer school payments shall be made  
25 as provided in Section 18-4.3.

26 (M) Education Funding Advisory Board.

27 The Education Funding Advisory Board, hereinafter in this  
28 subsection (M) referred to as the "Board", is hereby created.  
29 The Board shall consist of 5 members who are appointed by the  
30 Governor, by and with the advice and consent of the Senate.  
31 The members appointed shall include representatives of  
32 education, business, and the general public. One of the  
33 members so appointed shall be designated by the Governor at

1 the time the appointment is made as the chairperson of the  
2 Board. The initial members of the Board may be appointed any  
3 time after the effective date of this amendatory Act of 1997.  
4 The regular term of each member of the Board shall be for 4  
5 years from the third Monday of January of the year in which  
6 the term of the member's appointment is to commence, except  
7 that of the 5 initial members appointed to serve on the  
8 Board, the member who is appointed as the chairperson shall  
9 serve for a term that commences on the date of his or her  
10 appointment and expires on the third Monday of January, 2002,  
11 and the remaining 4 members, by lots drawn at the first  
12 meeting of the Board that is held after all 5 members are  
13 appointed, shall determine 2 of their number to serve for  
14 terms that commence on the date of their respective  
15 appointments and expire on the third Monday of January, 2001,  
16 and 2 of their number to serve for terms that commence on the  
17 date of their respective appointments and expire on the third  
18 Monday of January, 2000. All members appointed to serve on  
19 the Board shall serve until their respective successors are  
20 appointed and confirmed. Vacancies shall be filled in the  
21 same manner as original appointments. If a vacancy in  
22 membership occurs at a time when the Senate is not in  
23 session, the Governor shall make a temporary appointment  
24 until the next meeting of the Senate, when he or she shall  
25 appoint, by and with the advice and consent of the Senate, a  
26 person to fill that membership for the unexpired term. If  
27 the Senate is not in session when the initial appointments  
28 are made, those appointments shall be made as in the case of  
29 vacancies.

30 The Education Funding Advisory Board shall be deemed  
31 established, and the initial members appointed by the  
32 Governor to serve as members of the Board shall take office,  
33 on the date that the Governor makes his or her appointment of  
34 the fifth initial member of the Board, whether those initial

1 members are then serving pursuant to appointment and  
2 confirmation or pursuant to temporary appointments that are  
3 made by the Governor as in the case of vacancies.

4 The State Board of Education shall provide such staff  
5 assistance to the Education Funding Advisory Board as is  
6 reasonably required for the proper performance by the Board  
7 of its responsibilities.

8 For school years after the 2000-2001 school year, the  
9 Education Funding Advisory Board, in consultation with the  
10 State Board of Education, shall make recommendations as  
11 provided in this subsection (M) to the General Assembly for  
12 the foundation level under subdivision (B)(3) of this Section  
13 and for the supplemental general State aid grant level under  
14 subsection (H) of this Section for districts with high  
15 concentrations of children from poverty. The recommended  
16 foundation level shall be determined based on a methodology  
17 which incorporates the basic education expenditures of  
18 low-spending schools exhibiting high academic performance.  
19 The Education Funding Advisory Board shall make such  
20 recommendations to the General Assembly on January 1 of odd  
21 numbered years, beginning January 1, 2001.

22 (N) (Blank).

23 (O) References.

24 (1) References in other laws to the various subdivisions  
25 of Section 18-8 as that Section existed before its repeal and  
26 replacement by this Section 18-8.05 shall be deemed to refer  
27 to the corresponding provisions of this Section 18-8.05, to  
28 the extent that those references remain applicable.

29 (2) References in other laws to State Chapter 1 funds  
30 shall be deemed to refer to the supplemental general State  
31 aid provided under subsection (H) of this Section.

32 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,  
33 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;

1 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.  
2 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.  
3 8-7-01; revised 8-7-01.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.